

COUNTY OF YORK

MEMORANDUM

DATE: January 4, 2002 (BOS Mtg. 1/15/02)

TO: York County Board of Supervisors

FROM: James O. McReynolds, County Administrator

SUBJECT: Yorktown Master Plan Implementation and Land Acquisition

Background

As the Board is aware, the Jamestown-Yorktown Educational Trust (an arm of the Jamestown-Yorktown Foundation) is the current owner of numerous parcels of land and property that were part of the Nick and Mary Mathews estate, including the stock of Nick's Seafood Pavilion, Incorporated, and the restaurant building and parking lots. In accordance with direction from this and previous Boards, the County has had an ongoing dialogue with Jamestown-Yorktown Foundation (JYF) staff since the terms of Mrs. Mathews' will became known. The dialog focused on dealing with these properties in a manner consistent with the goals of the Yorktown Master Plan. Moreover, recently the County has expressed to the Foundation the County's own desire to purchase some of the parcels for the Riverwalk and a mixture of public parking and, possibly, economic development.

The JYF properties are strategically important to the successful implementation of the Yorktown Master Plan. Staff believes it is important to ensure that their future use is planned and managed in a comprehensive fashion, rather than on a piecemeal, parcel-by-parcel basis. Coincidentally, JYF made it clear that it would only sell all of the parcels and the corporate stock and restaurant assets as a "package." With this information, and pursuant to direction from the Board, staff has been working over the past several months to negotiate a proposal for formal consideration by JYF and by the Board.

I am pleased to report that staff has negotiated an agreement on behalf of the York County Board of Supervisors for the purchase from the Jamestown-Yorktown Educational Trust, Ltd., and from Nick's Seafood Pavilion, Incorporated, thirteen parcels of land and all of the corporate stock and assets of the restaurant, including the ownership and exclusive right to use the name "Nick's Seafood Pavilion." The proposed agreement also includes provisions for the County's purchase of all of the contents of the restaurant building, and all tangible and intangible assets related to the restaurant, including all furnishings and equipment, all statuary, artwork, and memorabilia and personal effects of Mary and Nick Mathews now located in the restaurant. The Mathews' residence, unoccupied since Mrs. Mathews' death, is located on one of the parcels. A copy of the proposed agreement is available in the County Attorney's office for your review. The JYF has represented that they will sign the negotiated agreement after the Board authorizes the County Administrator to sign the agreement. The parcels to be acquired are shown on the enclosed map, and the terms of the purchase agreement are summarized below:

PROPOSED TERMS OF SALE

Purchaser: County of York, Virginia

Real Estate to be Purchased: The list of the tax map numbers and addresses for the thirteen parcels to be purchased are as follows:

18A-1-12F	301 Water Street
18A-1-12C	315 Water Street
18A-1-11B	319 & 319A Water Street
18A-1-11D	319 & 319A Water Street
18A-01-00-007B	318 Water Street
18A-01-00-144	334 Water Street
18A-01-00-144A	Part of 324 Water Street
18A-01-00-146	Part of 324 Water Street
18A-01-00-147	Part of 324 Water Street
18A-01-00-145	Part of 324 Water Street
18A-01-00-145A	Part of 105 Martiau Street
18A-01-00-001	113 Martiau Street
18A-01-00-004	110 Buckner Street

Purchase Price: \$2,955,000, for all real estate and fixtures (to be conveyed free of any tenant or other occupant), and ownership of all shares of stock and assets of, Nick's Seafood Pavilion, Incorporated, including all inventory on hand, all rights to the name "Nick's Seafood Pavilion," and all kitchen equipment and accessories, all tables, chairs and serving pieces, and all works of art, including mirrors, statuary, paintings, three entry chandeliers and personal effects of Mary Mathews subject, however, to full disclosure and Purchaser's review and acceptance of all corporate assets and liabilities, financial records, and contractual rights and obligations.

Deposit: \$25,000.00, to be paid upon execution of a contract.

Terms of Sale: All cash at settlement, of which the deposit shall be a part. All real estate taxes and liens shall be pro-rated and paid off at closing.

Brokerage Fees: None.

Closing Costs & Fees: Each party to pay own costs.

Contingencies: For satisfactory environmental and due diligence studies by Purchaser, and a standard contingency for title. The contract

will also be contingent on Sellers' ability to purchase and convey the shares of stock held by a minority shareholder.

Closing: After satisfactory completion of environmental studies. (Closing is estimated to take place sometime during the month of February, 2002.)

Considerations

1. As noted above, the Mathews' estate parcels are strategically located along the York River shoreline, along Water Street, and in the Buckner Street area, most of which are areas envisioned by the Yorktown Master Plan, and in subsequent discussions by the Board and others, as key components of the Yorktown revitalization effort. As such, their use, development, and/or sale have the potential to contribute to or detract from the revitalization goals. While the County has the ability to influence the ultimate land use through zoning, the most effective way to ensure that the parcels are used and developed in a way that supports the revitalization effort is fee simple ownership, either by the County or by the IDA. Based on discussions with the Jamestown-Yorktown Foundation staff, the opportunity for the County to make such a proposal became apparent, and the Board provided authorization for the staff to move ahead with discussions.
2. Concurrently with the discussions concerning acquisition, staff has been proceeding with the development and refinement of plans for the Wharf-area improvements, the Riverwalk extension west of the Coleman Bridge, the construction of a pier and restroom building west of the Watermen's Museum, and the redevelopment of the block bounded by Buckner Street, Water Street, Main Street, and Route 17. All of these planning efforts involve properties of the Mathews' estate (now owned by the JYF). Specifically, acquisition of the JYF properties would facilitate:
 - Assuring a route for the Riverwalk extension along the York River shoreline between the Freight Shed and the Yorktown Creek area.
 - Our ability to incorporate the JYF property between the Freight Shed and the Coleman Bridge into the Wharf Area improvement plans, specifically with respect to utilities and ground elevation, circulation drives, building pad locations, parking, etc.
 - Assuring the ability to comprehensively plan the revitalization of the Buckner Street block including, should the Board decide it desirable to do so, an off-street parking area to help meet some of the waterfront parking demand.
 - Providing an opportunity for the County and the Watermen's Museum to discuss and develop a partnership that would allow the Museum to expand onto adjacent properties while allowing the County to extend the Riverwalk across

the Museum property and to develop a recreational boating pier and restrooms building in the vicinity of the Museum.

3. The staff believes that planning for and implementation of the redevelopment of the Buckner Street block properties being acquired can best proceed if the two existing residential structures are demolished as soon as possible. The staff foresees no alternative use for either structure and believes that the structures are architecturally inappropriate for Yorktown. Furthermore, demolition will increase the opportunities for access to the area should there be a desire to consider it for a parking area.
4. The County's acquisition of these properties should not cause the demise of Nick's Restaurant. In fact, throughout the discussions that have led up to this proposed agreement, the Board gave clear direction to staff that it wants Nick's to remain open. Obviously, the County does not want to be in the restaurant business. Accordingly, one aspect of this proposed property acquisition will involve the transfer of the corporate stock of Nick's Seafood Pavilion, Incorporated, to the York County Industrial Development Authority (IDA), so that the restaurant can continue to be operated by the corporate directors. The IDA will attempt to sell the stock as soon as a sale can be arranged to a qualified buyer.
5. The Watermen's Museum would like to acquire the parcels directly east and west and contiguous with the existing museum property (parcel 18A-1-12-F located at 301 Water Street and parcel 18A-1-12C located at 315 Water Street). To this end, staff recommends that the County negotiate with the Watermen's Museum to have these two parcels transferred to the Watermen's Museum subject to permanent easements across both parcels to the Board for the Riverwalk project and also for other related improvements planned by the Board including beach improvements, a pier, and the installation of shoreline erosion protection structures. The two parcels desired by the Watermen's Museum will also be referenced in a comprehensive contract that is being negotiated between the County and the Watermen's Museum for the Riverwalk project, which will be forwarded to the Board in the near future. The attached proposed resolution authorizes the transfer of these two parcels to the Watermen's Museum provided that a satisfactory agreement can be reached with the Museum.
6. The JYF has assured County staff that the proceeds from the sales agreement will be used by Jamestown-Yorktown Educational Trust to support the Yorktown Victory Center.

Recommendation

I recommend that the Board adopt attached proposed Resolution R02-12 that authorizes the County Administrator to sign a sales agreement, approved as to form by the County Attorney, with the above terms and conditions, and acquire the property and to do all things necessary to demolish the vacant residential buildings after the property is acquired, and to negotiate an agreement with the Watermen's Museum for the exchange of two parcels for easements, and the transfer of the corporate stock of the restaurant to the

Industrial Development Authority. The proposed resolution also transfers funding from the General Fund or the County Capital Fund to the Yorktown Revitalization Fund and appropriates the funds in the Yorktown Revitalization Fund for the purpose of acquiring the property referred to above.

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Attachments:

- Map
- Proposed Resolution R02-12